

FISCAL NOTE

SB 3892 - HB 4008

March 17, 2006

SUMMARY OF BILL: Establishes the “Tennessee Children’s Health Insurance Plan Act of 2006” which will provide health care to children who are not eligible for health care services under any part of the TennCare program.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$300,000

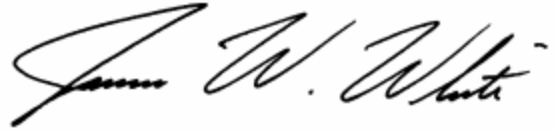
Other Fiscal Impact – There will be an additional significant increase in state and federal expenditures for the benefits provided under the “Tennessee Children’s Health Insurance Plan.” Such an increase cannot be evaluated because no information concerning the structure, scope, or benefits under the program has been provided to Fiscal Review. The Department of Finance and Administration states that this information will be furnished at a future date.

Assumptions:

- The Department of Finance and Administration will need three additional positions to prepare the child health insurance plan and seek federal approval. The staff will also identify and resolve logistical concerns, design proposed eligibility and benefit provisions, examine financing alternatives and work through organizational and financial concerns.
- An increase to state expenditures totaling \$200,907 for the salary and benefits of an F&A Program Director 2 (\$93,600), a Planning Analyst 4 (\$55,968) and an ASA 3 (\$51,339).
- There will be an increase to state expenditures totaling \$132,200 for rent and support (\$22,200), supplies (\$5,000), communications (\$12,000), travel (\$25,000), grants and subsidies (\$18,000), and professional services (\$50,000) for all three positions.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director